

HOUSE BILL 1484

By Dean

AN ACT to amend Tennessee Code Annotated, Title 39; Title 55, Chapter 16; Title 55, Chapter 3; Title 55, Chapter 5; Title 55, Chapter 6 and Title 62, relative to the sale of vehicles for scrap metal.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 55-3-202(b)(1)(A), is amended by deleting the following language:

any motor vehicle dismantler and recycler or scrap metal processor who purchases a motor vehicle solely for parts, dismantling or scrap that is twelve (12) years or older may purchase the motor vehicle without seeing and obtaining a copy of the title to the vehicle if the motor vehicle dismantler and recycler or scrap metal processor does not crush or shred the vehicle for a period of three (3) business days, including the date of purchase,

and by substituting instead the following new language:

any motor vehicle dismantler and recycler or scrap metal processor who purchases any motor vehicle solely for parts, dismantling or scrap may purchase the motor vehicle without seeing and obtaining a copy of the title to the vehicle if the motor vehicle dismantler and recycler or scrap metal processor requires the seller of the vehicle to provide a nonrepairable vehicle certificate,

SECTION 2. Tennessee Code Annotated, Section 55-3-202(b)(1)(B), is amended by deleting the language "If the seller does not show the motor vehicle title or provide the information" and by substituting instead the language "If the seller does not show the motor vehicle title, a nonrepairable vehicle certificate, or provide the information".

SECTION 3. Tennessee Code Annotated, Section 55-3-202(b)(1)(B), is amended by adding the following new sentence at the end of the subdivision:

The motor vehicle dismantler and recycler or scrap metal processor shall maintain the title or nonrepairable vehicle certificate until the vehicle is crushed or shredded, and shall surrender the title or certificate to the department of revenue after the vehicle is crushed or shredded, but no later than sixty (60) days after the date of purchase.

SECTION 4. Tennessee Code Annotated, Section 55-3-202(b)(2), is amended by deleting the language “the age of the vehicle” and by substituting instead the language “any vehicle” and by deleting the language “and the three-day waiting period prior to crushing or shredding the vehicle” and by substituting instead the language “and the nonrepairable certificate required in the absence of the title”.

SECTION 5. Tennessee Code Annotated, Section 55-3-202(c), is amended by deleting the first sentence and by substituting instead the following:

Any person who knowingly violates this section, or any person who falsifies the statement required under subsection (b), commits a Class A misdemeanor; except, that any motor vehicle dismantler and recycler or scrap metal processor who commits a first violation for failing to obtain a nonrepairable vehicle certificate from a seller in the absence of a title, shall be subject to a maximum fine of fifty dollars (\$50.00) and immediate revocation by operation of law of the dismantler and recycler or processor’s business license.

SECTION 6. Tennessee Code Annotated, Section 55-3-202(b)(1), is amended by adding the following as a new subdivision (C):

(C)

(i) For purposes of evidencing dismantlers and recyclers or processors in the ownership chain of title, each motor vehicle dismantler and recycler and scrap metal processor shall have a computer system in operation that is capable

of electronically transferring information, and shall electronically transfer the information required by subdivision (b)(1)(A)(i) – (x) to the appropriate law enforcement agency where the dismantler and recycler or processor is located. The dismantler and recycler or processor shall transfer the information in text file format or portable document format (“pdf”) once every twenty-four (24) hours. In lieu of transferring the information electronically by a computer system, the information may be transferred by a legible facsimile copy.

(ii) In the event the dismantler and recycler or processor electronically transfers the information, the dismantler and recycler or processor is not required to also deliver to the appropriate law enforcement official the original or copies of the vehicle transaction forms. The appropriate law enforcement official may, for the purposes of a criminal investigation, request that the dismantler and recycler or processor produce an original of a transaction form that has been electronically transferred. The dismantler and recycler or processor shall deliver this form to the appropriate law enforcement official within twenty-four (24) hours or the next business day following the request.

SECTION 7. Tennessee Code Annotated, Section 55-3-212(b)(8)(E), is amended by deleting the subdivision in its entirety and by substituting instead the following:

(E)

(i) Any person acquiring ownership of a damaged passenger motor vehicle that meets the definition of a salvage or nonrepairable vehicle for which a salvage title or nonrepairable vehicle certificate has not been issued shall apply for a salvage title or nonrepairable vehicle certificate, whichever is applicable. This application shall be made before the vehicle is further transferred, but in any event, within thirty (30) days after ownership is acquired. This subdivision

(b)(8)(E) shall also apply to any person engaged in the wrecker, garage or automobile salvage business and to any motor vehicle dismantler and recycler or scrap metal processor that acquires a nonrepairable vehicle for the purpose of transferring it to a dismantler and recycler or scrap metal processor or for the purpose of processing it into prepared grades of metallic scrap, whichever is applicable.

(ii) No person shall transport, pull or remove a nonrepairable vehicle unless the person has been issued a title or nonrepairable vehicle certificate. A violation of this subdivision (b)(8)(E)(ii) shall be a Class A misdemeanor.

(iii) The appropriate county clerk may accept an application for, and issue, a nonrepairable vehicle certificate; provided, that the application is supported by a surrendered certificate of title or, in the case of a motor vehicle dismantler and recycler or scrap metal processor that is not in possession of a title, such other documentation as is required by the department of revenue. The county clerk shall send the application for a nonrepairable vehicle certificate and supporting documentation to the anti-theft unit of the special investigations division in the department of revenue for processing. After completion of the process and approval by the anti-theft unit, the county clerk shall issue the nonrepairable certificate to the applicant upon payment of a five-dollar fee charged for the issuance.

SECTION 8. Tennessee Code Annotated, Section 55-3-211(4), is amended by deleting the language "'Nonrepairable vehicle certificate'" means a passenger motor vehicle ownership document issued by the state to the owner" and by substituting instead the language:

"Nonrepairable vehicle certificate" means a passenger motor vehicle ownership document issued by the state or appropriate county clerk to the owner.

SECTION 9. Tennessee Code Annotated, Section 55-6-104, is amended by adding the following new subdivision (6):

(6) For issuing a nonrepairable vehicle certificate, the sum of five dollars (\$5.00);

SECTION 10. Tennessee Code Annotated, Section 39-14-115(a)(2), is amended by adding the following as a new subdivision (C):

(C) Any vehicle identification number, as defined in § 55-5-202, removed from a motor vehicle.

SECTION 11. This act shall take effect July 1, 2014, the public welfare requiring it.